

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

SB 321 - HB 989

March 24, 2011

SUMMARY OF BILL: Requires the Alcoholic Beverage Commission (ABC) to develop by January 1, 2012, and implement by July 1, 2012, a license structure for all restaurants and limited service restaurants using ISO comprehensive general liability codes. Defines "ISO comprehensive general liability codes" as the method by which the insurance industry categorizes an establishment selling alcoholic beverages. Requires ABC to notify establishments applying or renewing a restaurant license that such license and taxes will be based on the code assigned by the establishment's insurer. Prohibits ABC from issuing a license to an establishment having less than 15 percent gross sales of food. Requires ABC to report on the new licensing structure and make recommended legislative changes to the State and Local Government Committees of the Senate and House by January 15, 2012.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- According to the ABC, a new licensing structure using ISO codes can be developed by existing commission staff without an increased appropriation or reduced reversion.
- Because the total number of licenses issued by ABC will not significantly change under to a new licensing structure, any impact on state revenue will be not significant.
- Reporting to the appropriate Senate and House Committees will not significantly increase state expenditures.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director

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